



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and Energy Reliability  
Infrastructure Security and Energy Restoration

# ENERGY ASSURANCE DAILY

Friday Evening, June 13, 2008

## ***Electricity***

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### **Cedar Rapids, Iowa Faces Indefinite Power Outages as Cedar River Rises Restoration Slowed as Alliant's Emergency Ops Center Evacuated June 12**

Tens of thousands of Alliant Energy customers in Cedar Rapids, Iowa are without power and will be without power for an indefinite period of time. Alliant's power distribution system has been disrupted as flooding from the Cedar River has knocked out power generating stations and saturated the ground, forcing utility poles out of their holes. At 3:30 PM Eastern Daylight Time (EDT), Alliant's website reported that 17,934 customers were without power in the Cedar Rapids area, but the site cautioned that outage numbers may not be accurate or up to date due to storm-related issues with the company's electronic distribution system. Alliant's emergency operations center, located in Cedar Rapids, was evacuated at about 3:00 PM EDT, June 12. As a result, Alliant cannot utilize its computerized real-time system monitors, and workers in the field are being sent to sites of reported outages to visually inspect the situation. Alliant has warned area residents to prepare for outages that may last more than a week. Alliant's Sixth Street generating station and its Prairie Creek generating station were taken offline on June 12.

<http://www.gazetteonline.com/apps/pbcs.dll/article?AID=/20080613/NEWS/924100820/1006/news>

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=/20080612/NEWS/806120395/1001>

### **FPL's 641 MW Duane Arnold Nuke Unit in Iowa Loses Phone Service June 12**

The rising Cedar River cut primary telephone service to the plant, forcing the company to notify the U.S. Nuclear Regulatory Commission of the event. Plant staff are relying on cellular and satellite telephone service. The unit is running at full capacity and FPL doesn't expect the plant to flood.

Bloomberg News, 08:08 June 13, 2008

### **Duke Energy's Edwardsport, Indiana Power Shut due to Flooding June 9 Indiana National Guard Helping to Protect the Plant with Sandbags**

Duke Energy shut the plant on June 9 to protect citizens and avoid damage to electrical infrastructure as the White River rose to dangerous levels. On June 13, the Indiana National Guard arrived on site to assist in sandbagging operations to protect the plant from the rising waters.

<http://gcdailyworld.com/story/1436418.html>

### **Wildfire Trips Two 115-kV Power Lines in Northern California June 12 Fire No Longer Threatening California-Oregon Intertie June 13**

The Humboldt Fire, which has been burning since July 10 in the foothills east of Chico, California, caused two-115 kV transmission lines to trip out of service June 12. Those two lines feed power into the city of Paradise and the surrounding area. The loss of those two lines caused a power outage beginning at 3:35 PM Pacific Time, June 12. The outage represents approximately 20 MW of load and affected an estimated 16,000 Pacific Gas & Electric customers. PG&E Crews were working to repair damage to one of the two lines but were unclear as to when power could be restored. The same fire was also burning near two of the three lines that comprise the California-Oregon Intertie. One June 12, the California ISO reduced the flow of power on those lines and was managing the situation.

On June 13, the Western Electric Coordinating Council (WECC) said the fire no longer posed a threat to the Intertie.

<http://www.caiso.com/1fe4/1fe4f0ba5f650.pdf>

## **New Storms Hamper Power Restoration Efforts in Michigan June 13 28,000 New Outages Reported**

On the morning of June 13, as crews had reduced the number of customers remaining without electricity to about 36,000 from a series of severe storms that hit Michigan June 6 through June 10, new storms bearing heavy rain, hail and strong winds left another 15,000 customers of DTE and 13,000 customers of Consumers Energy without power. The forecast of more storms due in the area could make it unsafe for crews to work on restoration and delay restoration work.

<b>Michigan Customer Power Outages June 6-13, 2008</b>			
<b>Electric Utility</b>	<b>State</b>	<b>Affected Customers*</b>	<b>Latest Reported</b>
DTE Energy	Michigan	360,000	51,000
CMS Energy	Michigan	350,000	13,000
<b>TOTAL**</b>		<b>730,000</b>	<b>64,000</b>

\*The figures in this column represent the total number of customers that lost power over the course of the storms.

\*\*Total outages only represent electric utilities listed in this table.

Source: [http://www.mlive.com/business/index.ssf/2008/06/violent\\_storms\\_bring\\_flooding.html](http://www.mlive.com/business/index.ssf/2008/06/violent_storms_bring_flooding.html)  
<http://www.detnews.com/apps/pbcs.dll/article?AID=/20080613/METRO/806130407>

## **Substation Problem Knocks Out Power to 12,000 Pepco Customers in Downtown Washington, D.C. June 13**

12,000 customers in downtown Washington, D.C., including the White House, lose power on the morning of June 13. The power interruption began about 7:25 AM Eastern Time and was the result of an equipment problem at a downtown substation. During the outage, the White House was operating on emergency generators. Eight District Metro stations were affected by the outage. Power was fully restored by 10:15 AM.

<http://www.pepco.com/welcome/news/releases/archives/2008/article.aspx?cid=992>  
Bloomberg News, 10:15 June 13, 2008

## **Powerex's 428 MW Dynamic Resource Unit in California Returns to Service by June 12**

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 354 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200806121515.html>

## **Cabrillo Power's 300 MW Encina Unit 4 Gas-fired Unit in California Returns to Service by June 12**

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 155 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200806121515.html>

## **Cabrillo Power's 330 MW Encina Unit 5 Gas-fired Unit in California Returns to Service by June 12**

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 185 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200806121515.html>

## **Calpine's 525 MW Sutter Power Plant Aggregate Gas-fired Unit in California Reduced by June 12**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 264 MW by June 12.

<http://www.caiso.com/unitstatus/data/unitstatus200806121515.html>

## ***Petroleum***

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### **Update: Processing Units at Normal Rates at Motiva's 300,000 b/d Port Arthur, Texas Refinery June 12**

A company spokesperson stated that all processing units had returned to normal after the facility suffered a loss of power on June 2.

Bloomberg News, 11:31 June 13, 2008

### **Boiler Problems Reported at Valero's 166,000 b/d Paulsboro, New Jersey Refinery June 13**

Valero reported that the boiler experienced start up problems, and that the upset would have no impact on production.

Bloomberg News, 13:10 June 13, 2008

### **ExxonMobil Reports Pump Failure at 150,000 b/d Torrance, California Refinery June 12**

ExxonMobil reported a pump failure at the refinery on June 12 but said the refinery continues to operate.

<http://uk.reuters.com/article/governmentFilingsNews/idUKN1333109720080613>

### **Saudis Considering Boosting Oil Output to 10 Million b/d – Report**

According to the Middle East Economic Survey newsletter, Saudi Arabia is considering increasing oil production to near 10 million b/d. In May of this year, Saudi Arabia announced that it would increase oil production by 300,000 b/d to 9.45 million b/d.

<http://www.platts.com/Oil/News/6900544.xml?sub=Oil&p=Oil/News>

### **Update: TNK-BP Chairman Says Tax Evasion Row in Russia Really About Control of Company**

[http://www.rigzone.com/news/article.asp?a\\_id=62945](http://www.rigzone.com/news/article.asp?a_id=62945)

## ***Natural Gas***

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### **MapleLNG Project in Nova Scotia Receives Permit to Construct**

On July 11, the MapleLNG liquefied natural gas (LNG) import and regasification terminal project in Goldboro, Nova Scotia received approval for a Permit to Construct from the Nova Scotia Utility and Review Board (UARB). With the UARB permit and environmental approvals in place, the MapleLNG project will move into the next phase of development which involves technical and commercial aspects, project sanction and onsite construction. The terminal will be located adjacent to the Maritimes and Northeast Pipeline intake station at the Sable Offshore Energy Gas Plant in Goldboro. MapleLNG plans to begin operations at the terminal in 2011.

[http://www.downstreamtoday.com/News/Articles/200806/Nova\\_Scotia\\_Okays\\_MapleLNG\\_Project\\_11304.aspx](http://www.downstreamtoday.com/News/Articles/200806/Nova_Scotia_Okays_MapleLNG_Project_11304.aspx)

## ***Other News***

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### **Update: Four Mississippi River Locks Shut from Flooding; Seven More to Follow USACE Says Upper Mississippi River Could Remain Shut for Weeks**

As of the midday June 13, the U.S. Army Corps of Engineers (USACE) has closed four locks on the upper Mississippi River and expects to shut seven more by June 16 as the water level rises. When all eleven locks have been shut, 300 miles of the Mississippi River will be non-navigable to commercial river traffic, including barges transporting petroleum products, ethanol, and coal. All closures are north of St. Louis, Missouri. USACE estimates that the locks will be shut for at least two weeks. Barge traffic is still flowing on the Ohio River and lower Mississippi River.

Reuters, 11:45 June 13, 2008

### **Penform Corp. Shuts 45 Million Gallon Per Year Ethanol Plant Due to Flooding June 12**

Penford Corp. halted production at its ethanol plant in Cedar Rapids, Iowa, June 12, because of flooding on the Cedar River. The company will resume operations after the flooding subsides. The distillery is designed to produce 45 million gallons of ethanol annually.

Bloomberg News, 11:26 June 13, 2008

## Midwest Flooding Pushes Corn Prices to Record Levels, Could Devastate US Ethanol Production

Storms this week have flooded crop fields across the Midwest, pushing corn, the main U.S. ethanol feedstock, to a record near \$8 per barrel on June 12, nearly double last year's price. Corn was trading at \$7 per bushel on June 13. According to an analyst with Raymond James, U.S. ethanol producers are now losing 8 cents per gallon of ethanol distilled, compared with a profit margin of 20 cents per gallon two weeks ago. A Citi research note, estimates that as much as 2 to 5 billion gallons of ethanol production facilities could go offline in the next few months due to high corn prices. U.S. ethanol production capacity is about 8.8 billion gallons of ethanol per year from 154 ethanol plants. The Citi report also said that five small-to-midsize ethanol plants, out of 154 U.S. ethanol distilleries, have already shut but did not say which plants were down. According to dealers, Midwest spot ethanol prices have jumped 32 cents since Monday of this week.

Reuters, 13:16 June 13, 2008

## Suncor to Expand Canada's Largest Ethanol Plant

Suncor Energy on June 12 announced plans to proceed with an expansion of its St. Clair Ethanol Plant. This investment is expected to increase ethanol production at the facility to 400 million liters (106 million gallons) per year, double the plant's existing capacity. The St. Clair Ethanol Plant has been in production since July 2006 and is currently the largest ethanol facility in Canada, with a production capacity of 200 million liters (53 million gallons) per year. Construction of the expanded facilities will begin immediately with completion targeted for late 2009.

<http://www.downstreamtoday.com/News/ArticlePrint.aspx?aid=11330>

## High-Tech Firm Warns of Security 'Hole' in Utility Software

A Boston-based high-tech firm, Core Security Technologies, claimed June 11 to have discovered a deficiency in key software used by natural gas pipelines and other utility operations that could make them vulnerable to hackers. Core Security representatives described the potential security problem to the Associated Press, which released a wire report on the firm's allegations.

<http://intelligencepress.com/>

## Energy Prices

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U.S. Oil and Gas Prices			
June 13, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	134.86	135.93	66.27
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	12.51	12.49	7.45

Source: Reuters

## Energy Notes

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Nothing to report.

## Links

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

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